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99TH CONGRESS
1ST SESSION

H. R. 2419

[Report No. 99-106, Part I]

To authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 8, 1985

Mr. HAMILTON introduced the following bill; which was referred to the
Permanent Select Committee on Intelligence

MAY 15, 1985

Reported with amendments; referred to the Committee on Armed Services for a period ending not later than May 24, 1985, for consideration of such provisions of the bill and amendments as fall within the jurisdiction of that committee pursuant to clause 1(c), Rule XI, and ordered to be printed

A BILL

To authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 That this Act may be cited as the "Intelligence Authoriza-
2 tion Act for Fiscal Year 1986".

3 TITLE I—INTELLIGENCE ACTIVITIES

4 AUTHORIZATION OF APPROPRIATIONS

5 SEC. 101. Funds are hereby authorized to be appropri-
6 ated for fiscal year 1986 for the conduct of the intelligence
7 and intelligence-related activities of the following elements
8 (or offices, agencies or subelements thereof) of the United
9 States Government:

- 10 (1) The Central Intelligence Agency.
11 (2) The Department of Defense.
12 (3) The Defense Intelligence Agency.
13 (4) The National Security Agency.
14 (5) The Department of the Army, the Department
15 of the Navy, and the Department of the Air Force.
16 (6) The Department of State.
17 (7) The Department of the Treasury.
18 (8) The Department of Energy.
19 (9) The Federal Bureau of Investigation.
20 (10) The Drug Enforcement Administration.

21 CLASSIFIED SCHEDULE OF AUTHORIZATIONS

22 SEC. 102. The amounts authorized to be appropriated
23 under section 101, and the authorized personnel ceilings as of
24 September 30, 1986, for the conduct of the intelligence and
25 intelligence-related activities of the elements (or offices,
26 agencies or subelements thereof) listed in such section, are

1 those specified in the classified Schedule of Authorizations
2 prepared by the Permanent Select Committee on Intelligence
3 to accompany H.R. 2419 of the Ninety-ninth Congress. That
4 Schedule of Authorizations shall be made available to the
5 Committees on Appropriations of the Senate and House of
6 Representatives and to the President. The President shall
7 provide for suitable distribution of the Schedule, or of appro-
8 priate portions of the Schedule, within the executive branch.

9 AUTHORIZATION OF APPROPRIATIONS FOR COUNTERTER-
10 RORISM ACTIVITIES OF THE FEDERAL BUREAU OF
11 INVESTIGATION

12 SEC. 103. In addition to the amounts authorized to be
13 appropriated under section 101(9), there is authorized to be
14 appropriated for fiscal year 1986 the sum of \$15,200,000 for
15 the conduct of the activities of the Federal Bureau of Investi-
16 gation to counter terrorism in the United States.

17 PERSONNEL CEILING ADJUSTMENTS

18 SEC. 104. The Director of Central Intelligence may au-
19 thorize employment of civilian personnel in excess of the
20 numbers authorized for the fiscal year 1986 under sections
21 102 and 202 of this Act when he determines that such action
22 is necessary to the performance of important intelligence
23 functions, except that such number may not, for any element
24 (or offices, agencies or subelements thereof) of the Intelli-
25 gence Community, exceed 2 per centum of the number of
26 civilian personnel authorized under such sections for such ele-

1 ment. The Director of Central Intelligence shall promptly
2 notify the Permanent Select Committee on Intelligence of the
3 House of Representatives and the Select Committee on Intel-
4 ligence of the Senate whenever he exercises the authority
5 granted by this section.

6 PROHIBITION ON COVERT ASSISTANCE FOR MILITARY
7 OPERATIONS IN NICARAGUA

8 ~~SEC. 105. During fiscal year 1986, no funds available to~~
9 ~~the Central Intelligence Agency, the Department of Defense,~~
10 ~~or any other agency or entity of the United States involved in~~
11 ~~intelligence activities may be obligated or expended for the~~
12 ~~purpose or which would have the effect of supporting, direct-~~
13 ~~ly or indirectly, military or paramilitary operations in Nicara-~~
14 ~~gua by any nation, group, organization, movement, or~~
15 ~~individual.~~

16 *"SEC. 105. During fiscal year 1986, no funds avail-*
17 *able to the Central Intelligence Agency, Department of De-*
18 *fense, or any other agency or entity of the United States*
19 *involved in intelligence activities may be obligated or ex-*
20 *pended, directly or indirectly, for material assistance to the*
21 *Nicaraguan democratic resistance including arms, ammuni-*
22 *tion, or other equipment or material which could be used to*
23 *inflict serious bodily harm or death, or which would have the*
24 *effect of providing arms, ammunition or other weapons of war*
25 *for military or paramilitary operations in Nicaragua by any*
26 *group, organization, movement or individual."*

1 **TITLE II—INTELLIGENCE COMMUNITY STAFF**2 **AUTHORIZATION OF APPROPRIATIONS**

3 SEC. 201. There is authorized to be appropriated for the
4 Intelligence Community Staff for fiscal year 1986 the sum of
5 \$21,900,000.

6 **AUTHORIZATION OF PERSONNEL END-STRENGTH**

7 SEC. 202. (a) The Intelligence Community Staff is au-
8 thorized two hundred and thirty-three full-time personnel as
9 of September 30, 1986. Such personnel of the Intelligence
10 Community Staff may be permanent employees of the Intelli-
11 gence Community Staff or personnel detailed from other ele-
12 ments of the United States Government.

13 (b) During fiscal year 1986, personnel of the Intelli-
14 gence Community Staff shall be selected so as to provide
15 appropriate representation from elements of the United
16 States Government engaged in intelligence and intelligence-
17 related activities.

18 (c) During fiscal year 1986, any officer or employee of
19 the United States or a member of the Armed Forces who is
20 detailed to the Intelligence Community Staff from another
21 element of the United States Government shall be detailed on
22 a reimbursable basis, except that any such officer, employee,
23 or member may be detailed on a nonreimbursable basis for a
24 period of less than one year for the performance of temporary
25 functions as required by the Director of Central Intelligence.

1 INTELLIGENCE COMMUNITY STAFF ADMINISTERED IN

2 SAME MANNER AS CENTRAL INTELLIGENCE AGENCY

3 SEC. 203. During fiscal year 1986, activities and per-
4 sonnel of the Intelligence Community Staff shall be subject to
5 the provisions of the National Security Act of 1947 (50
6 U.S.C. 401 et seq.) and the Central Intelligence Agency Act
7 of 1949 (50 U.S.C. 403a et seq.) in the same manner as
8 activities and personnel of the Central Intelligence Agency.

9 TITLE III—CENTRAL INTELLIGENCE AGENCY

10 RETIREMENT AND DISABILITY SYSTEM

11 AUTHORIZATION OF APPROPRIATIONS

12 SEC. 301. There is authorized to be appropriated for the
13 Central Intelligence Agency Retirement and Disability Fund
14 for fiscal year 1985 the sum of \$101,400,000.

15 TITLE IV—PROVISIONS RELATING TO

16 INTELLIGENCE AGENCIES

17 SEC. 401. (a) Title V of the National Security Act of
18 1947 (50 U.S.C. 413), relating to accountability for intelli-
19 gence activities, is amended by adding at the end thereof the
20 following:

21 “NOTICE TO CONGRESS OF CERTAIN EXPENDITURES AND
22 CERTAIN TRANSFERS OF DEFENSE ARTICLES

23 “SEC. 502. (a)(1) Funds available to an intelligence
24 agency may be obligated or expended for an intelligence or
25 intelligence-related activity only if—

1 “(A) those funds were specifically authorized by
2 the Congress for use for such activity; or

3 “(B) in the case of funds from the Reserve for
4 Contingencies of the Central Intelligence Agency and
5 consistent with the provisions of section 501 of this
6 Act concerning any significant anticipated intelligence
7 activity, the Director of Central Intelligence has, ~~sub-~~
8 ~~ject to the provisions of section 501,~~ notified the ap-
9 propriate congressional committees of the intent to
10 make such funds available for such activity; or

11 “(C) in the case of funds specifically authorized by
12 the Congress for a different activity—

13 “(i) the activity to be funded is a higher pri-
14 ority intelligence or intelligence-related activity;

15 “(ii) the need for funds for such activity is
16 based on unforeseen requirements; and

17 “(iii) the Director of Central Intelligence or
18 the Secretary of Defense has notified the appro-
19 priate congressional committees of the intent to
20 make such funds available for such activity.

21 “(2) ~~Fund~~ *Funds* available to an intelligence agency
22 may not be made available for any intelligence or intelli-
23 gence-related activity for which funds were denied by the
24 Congress.

1 “(b)(1) The transfer of a defense article or defense serv-
2 ice exceeding \$1,000,000 in value by an intelligence agency
3 to a recipient outside that agency shall be considered a signif-
4 icant anticipated intelligence activity for the purpose of sec-
5 tion 501 of this Act.

6 “(2) Paragraph (1) does not apply if—

7 “(A) the transfer is being made to a department,
8 agency, or other entity of the United States (so long as
9 there will not be a subsequent retransfer of the defense
10 articles or defense services outside the United States
11 Government in conjunction with an intelligence or in-
12 telligence-related activity); or

13 “(B) the transfer—

14 “(i) is being made pursuant to authorities
15 contained in part II of the Foreign Assistance Act
16 of 1961, the Arms Export Control Act, title 10 of
17 the United States Code (including a law enacted
18 pursuant to section 7307(b)(1) of that title), or the
19 Federal Property and Administrative Services Act
20 of 1949, and

21 “(ii) is not being made in conjunction with an
22 intelligence or intelligence-related activity.

23 “(3) An intelligence agency may not transfer any de-
24 fense articles or defense services outside the agency in con-

1 junction with any intelligence or intelligence-related activity
2 for which funds were denied by the Congress.

3 “(c) As used in this section—

4 “(1) the term ‘intelligence agency’ means any
5 department, agency, or other entity of the United
6 States involved in intelligence or intelligence-related
7 activities;

8 “(2) the term ‘appropriate congressional commit-
9 tees’ means the intelligence committees and the Com-
10 mittee on Appropriations of each House;

11 “(3) the term ‘intelligence committees’ means the
12 Permanent Select Committee on Intelligence of the
13 House of Representatives and the Select Committee on
14 Intelligence of the Senate;

15 “(4) the term ‘specifically authorized by the Con-
16 gress’ means that—

17 “(A) the activity and the amount of funds
18 proposed to be used for that activity were identi-
19 fied in a formal budget request to the Congress,
20 but funds shall be deemed to be specifically au-
21 thorized for that activity only to the extent that
22 the Congress both authorized the funds to be ap-
23 propriated for that activity and appropriated the
24 funds for that activity; or

1 “(B) although the funds were not formally
2 requested, the Congress both specifically author-
3 ized the appropriation of the funds for the activity
4 and appropriated the funds for the activity;

5 “(5) the terms ‘defense articles’ and ‘defense serv-
6 ices’ mean the items on the United States Munitions
7 List pursuant to section 38 of the Arms Export Con-
8 trol Act (22 CFR part 121);

9 “(6) the term ‘transfer’ means—

10 “(A) in the case of defense articles, the
11 transfer of possession of those articles, and

12 “(B) in the case of defense services, the pro-
13 vision of those services; and

14 “(7) the term ‘value’ means—

15 “(A) in the case of defense articles, the
16 greater of—

17 “(i) the original acquisition cost to the
18 United States Government, plus the cost of
19 improvements or other modifications made by
20 or on behalf of the Government; or

21 “(ii) the replacement cost; and

22 “(B) in the case of defense services, the full
23 cost to the Government of providing the
24 services.”.

1 (b) The table of contents at the end of the first section of
2 such Act is amended by inserting the following after the item
3 relating to section 501:

“Sec. 502. Notice to Congress of certain expenditures and certain transfers of
defense articles.”.

4 COUNTERINTELLIGENCE VULNERABILITY REPORT

5 SEC. 402. (a) The Director of Central Intelligence shall
6 review and evaluate the vulnerability of confidential United
7 States Government activities abroad, and information con-
8 cerning such activities, to efforts by foreign powers to detect,
9 monitor or counter such activities, or to acquire such
10 information.

11 (b) Within one hundred and twenty days after the date
12 of enactment of this Act, the Director of Central Intelligence
13 shall submit to the Permanent Select Committee on Intelli-
14 gence of the House of Representatives and the Select Com-
15 mittee on Intelligence of the Senate a comprehensive report
16 on the matters described in subsection (a), including plans for
17 improvements which are within his authority to effectuate,
18 and recommendations for improvements which are not within
19 his authority to effectuate.

20 (c) The report described in subsection (b) of this section
21 shall be exempt from any requirement for publication or dis-
22 closure.

1 **TITLE V—GENERAL PROVISIONS**

2 **RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES**

3 **SEC. 501.** The authorization of appropriations by this
4 Act shall not be deemed to constitute authority for the con-
5 duct of any intelligence activity which is not otherwise au-
6 thorized by the Constitution or laws of the United States.

7 **INCREASES IN EMPLOYEE BENEFITS AUTHORIZED BY LAW**

8 **SEC. 502.** Appropriations authorized by this Act for
9 salary, pay, retirement, and other benefits for Federal em-
10 ployees may be increased by such additional or supplemental
11 amounts as may be necessary for increases in such benefits
12 authorized by law.

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